



VERMONT PUBLIC  
SERVICE BOARD

2006 MAY 11 A 8:48

STATE OF VERMONT  
GENERAL ASSEMBLY  
133 STATE STREET  
MONTPELIER, VT 05633-5201

May 4, 2006

Public Service Board  
112 State Street, Drawer 20  
Montpelier, VT 05620-2701

Dear Public Service Board Members:

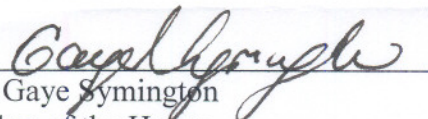
The Vermont Legislature recognizes that two-thirds of Vermont power contracts will expire within the next ten years. With this looming reality in mind, the Vermont Legislature passed Act 61 last year, which calls on the Public Service Board to set the budget for efficiency spending at a level that would acquire all "reasonably available, cost-effective energy efficiency savings." A previous cap on the budget for efficiency spending was lifted (30 V.S.A. § 209(d)(4)).

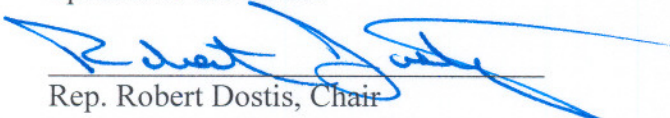
The intent of the Vermont Legislature was to responsibly provide for Vermont's future energy needs by ensuring that as much of our energy needs will be met by increased investment in energy efficiency. Efficiency remains the lowest cost source of power with the least environmental impacts.

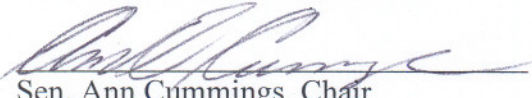
The Vermont Legislature strongly urges the Board to increase the efficiency budget to acquire all cost-effective efficiency savings. When the legislation was passed, we understood that this would require significant additional spending on efficiency. A doubling or tripling of efficiency spending is certainly reasonable in light of future power costs. Neighboring states are now facing 20 to 50 percent rate increases. This same future can be limited in Vermont by significant investment in efficiency. This was the intent of Act 61.

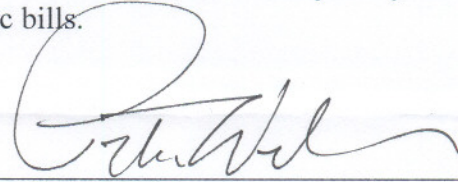
We look forward to a new budget for efficiency spending that will set Vermont on a trajectory to lower Vermont's demand for electricity and lower customers' electric bills.

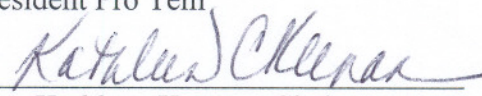
Sincerely,

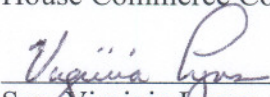
  
Rep. Gaye Symington  
Speaker of the House

  
Rep. Robert Dostis, Chair  
House Natural Resources Com.

  
Sen. Ann Cummings, Chair  
Senate Finance Com.

  
Sen. Peter Welch  
President Pro Tem

  
Rep. Kathleen Keenan, Chair  
House Commerce Com.

  
Sen. Virginia Lyons, Chair  
Senate Nat. Resources & Energy Com.